UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

IN RE PHARMACEUTICAL) INDUSTRY AVERAGE WHOLESALE)	MDL NO. 1456
PRICE LITIGATION)	CIVIL ACTION: 01-CV-12257-PBS
THIS DOCUMENT RELATES TO 01-	Judge Patti B. Saris
CV-12257-PBS and 01-CV-339	Chief Magistrate Judge
,)	Marianne B. Bowler
)	
)	
)	

NOTICE OF SUPPLEMENTAL FILING IN SUPPORT OF TRACK 1 <u>DEFENDANTS' OPPOSITION TO CLASS CERTIFICATION</u>

Notice is hereby given this Supplemental Filing in Support of Track 1

Defendants' Opposition to Class Certification, containing the documents listed below, is being filed electronically:

- 1. Supplemental Declaration of Robert P. Navarro in Opposition to the Plaintiffs' Motion for Class Certification. This Supplemental Declaration is being filed to disclose Dr. Navarro's compensation for his work in this matter, in accordance with Fed. R. Civ. P. 26(a)(2), which was inadvertently omitted from his Declaration filed with the Court on October 25, 2004.
- 2. Indices to Exhibit Volumes II and III of the Declaration of Steven J.

 Young in Opposition to the Plaintiffs' Motion for Class Certification. The indices were inadvertently omitted from the Declaration of Dr. Young and accompanying exhibits filed on

October 25, 2004. The indices were, however, provided to Plaintiffs' counsel on November 8, 2004.

Respectfully submitted,

William F. Cavanaugh, Jr.

Andrew D. Schau

Erik Haas

PATTERSON, BELKNAP, WEBB & TYLER LLP

1133 Avenue of the Americas New York, NY 10036-6710

Tel: (212) 336-2000 Fax: (212) 336-2222

Attorneys for Defendants Johnson & Johnson, Centocor Inc. Ortho Biotech Products L.P., Janssen Pharmaceutica L.P. and McNeil-PPC on behalf of all defendants to the Amended Master Consolidated Class Action Complaint

Dated: November 16, 2004

CERTIFICATE OF SERVICE

I certify that on November 16, 2004, a true and correct copy of the forgoing Supplemental Filing in Support of Track 1 Defendants' Opposition to Class Certification was served on all counsel of record by electronic service pursuant to Paragraph 11 of Case Management Order No. 2 by sending a copy to Verilaw Technologies for posting and notification to all parties.

Andrew D. Schau

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

IN RE PHARMACEUTICAL INDUSTRY AVERAGE WHOLESALE PRICE LITIGATION

CIVIL ACTION.

MDL NO. 1456

CIVIL ACTION: 01-CV-12257-PBS

THIS DOCUMENT RELATES TO 01-CV-12257-PBS and 01-CV-339

Judge Patti B. Saris

Chief Magistrate Judge Marianne B. Bowler

SUPPLEMENTAL DECLARATION OF ROBERT P. NAVARRO IN OPPOSITION TO THE PLAINTIFFS' MOTION FOR CLASS CERTIFICATION

I, Robert Navarro, submit this Supplemental Declaration in Opposition to the Plaintiffs' Motion for Class Certification because I inadvertently omitted my compensation from my Declaration filed on October 25, 2004. I am being compensated at \$400 an hour for my time in preparing the Declaration and \$450 an hour for my testimony in connection with this matter.

I also submit this Supplemental Declaration to correct an inadvertent error in my Declaration: On page 20, footnote 28 should state that "MIM Corporation's PBM business, ScripSolutions, generates very little profit." The Declaration currently reads "very little revenue."

Robert P. Navarro

Volume II Section A Index - Depositions

Tab	Deponent	Date	Party
	Deposition Cover Sheet		
	Baca, Michael	10/08/04	Healthnet
	Beaderstadt, Mike	09/17/04	John Deere Health
	Brecht, Christopher	06/03/04	Carday Associates (TPA on behalf of Man-U)
	Brecht, Christopher	06/04/04	Carday Associates
	Cannon, Eric	09/13/04	IHC Health Plans
	Dobson, Karen	10/06/04	Blue Cross Blue Shield of Wyoming
	Dragalin, Dan	09/17/04	Multiplan
	Ecklund, William K.	03/03/04	Twin Cities
	Eddy, Christopher	10/06/04	Empire Blue Cross Blue Shield
	Einhorn, William J. (new)	02/25/04	Teamsters
	Farias, Robert	10/20/04	Harvard Pilgrim Health Care
	Francis, Richard A.	09/20/04	Harvard Pilgrim Health Care
	Goldman, Hal	09/20/04	Vista Health Plan
	Grande, Andrea	09/20/04	Harvard Pilgrim Health Care
	Haber, Darcy	12/18/03	Wisconsin Citizen Action (WCA)
	Hailey, Russell	08/04/04	Coventry
	Johnson, Margaret M.	09/22/04	Horizon Blue Cross Blue Shield
	Joyner, J. David	09/23/04	Care Mark
	Kaplan, Edward A.	07/12/04	Segal
	Kenney, James T.	09/20/04	Harvard Pilgrim Health Care
	Kramer, Dale	07/23/04	Kaiser Foundation Health Plan
	Madsen, Gregory I.	08/26/04	Care Mark
	Martin, Deborah	10/01/04	Mercer HR Consulting
	Maxwell, Raeann	09/09/04	University of Pittsburg Medical Center Health Plan
	Maxwell, Raeann	09/10/04	University of Pittsburg Medical Center Health Plan
	Mengert, Susan	10/05/04	Horizon BCBS
	Pfankuch, Paula	09/14/04	Blue Cross Blue Shield of Illinois
	Rhodes, Jr., William A.	07/07/04	Zenith Administrators (TPA on behalf of Carpenters)
	Rodgers, John	09/28/04	Independent Health
	Roland, Nancy	09/29/04	Wellmark
	Romasko, Joanne	09/28/04	Blue Cross Blue Shield of Montana
	Ryan, Daniel	03/16/04	United Food and Commercial Workers
	Ryan, Daniel	04/30/04	United Food and Commercial Workers
	Ryberg, Julie	03/02/04	Formula Corp. (Acct. administrator for Twin Cities)
	Sarafian, Araksi	09/21/04	HIP of New York
	Schultz, Bob	10/06/04	Blue Cross Blue Shield of Wyoming
	Sidwell, Carol	09/17/04	John Deere Health
	Slavik, Kevin	09/14/04	Blue Cross Blue Shield of Illinois
	Steinberg, Arthur	06/18/04	Philadelphia Teachers
	Thigpen, Albert	08/27/04	Care Mark
	Thomas, David	09/24/04	Three Rivers Health Plan
	Villano, Peter M.	07/01/04	Quality Rx (Consultant on behalf of Philadelphia Teachers)
	Wong, Tina	09/28/04	Blue Cross Blue Shield of Montana
	Yonko, Greg	10/14/04	McKesson

Volume II Section B Index - Footnotes

Tab	Entity	Beginning Bates Range	Ending Bates Range
	Health Net	HNPSAWP0000001	HNPSAWP0000053
2	Health Net	BHP 195	BHP 236
3	Case Management Order		
4	U. S. District Court for the District of Massachusetts, MDL, No. 1456, Civil A		
5	Centocor	MDLCEN00055040	MDLCEN00055056
6	BMS	BMS/AWP/00260231	BMS/AWP/00260251
7	BCBS Neb	NEB 0000459	NEB 0000474
8	BCBS, IL	BCBSIL AWP000712	BCBSIL AWP000765
9	Medco	MHS A_0000001	MHS A_0000509
10	Trigon	TR 0031490	TR 0031494
11	Coventry	CVH 000033	CVH 000035
12	Horizon BCBS	H00152	H00231
13	Harvard Pilgrim Health	HPH 000611	HPH 000693
14	THWF	THWF 0575	THWF 0605
15	Medco	MHS A_0001163	MHS A_0001387
16	Trigon	TR 0031366	TR 0031367
16	Trigon	TR 0031465	TR 0031469
17	Dr. Stephen Schondelmeyer Declaration in Support of Plaintiffs Motion for Class Certification dated September 2, 2004		
18	Declaration of Thomas Gilson, Medco Vice President/General Manager, Health Plans East, dated October 20, 2004		
19	Trigon	TR 0031092	TR 0031123
20	Affidavit of Edward Ignaczak	İ	
21	Humana	HUM00839	HUM00912
21	Humana	HUM01151	HUM01214
21	Humana	HUM01867	HUM01921.
22	UPMC	UPM C2351	UPM C2372
	Declaration of Raymond S. Hartman 9-3-2004		
24	BCBS IL	BCIL AWP 000087	BCIL AWP 000126
25	Coventry	CVH 000669	CVH 000746
26	Express Scripts	ESI-277-00002605	ESI-277-00002635
27	BCBS, KC	KC0003265	KC0003266

Volume II Section C Index - Exhibits

Tab	Entity	Declaring Potes Bonco	Ending Bates Range
Cap	Exhibit 006 - Supporting Document Listing	Deginaning bates Range	Citalif pares valide
6	BMS	BMS/AWP/00259850	BMS/AWP/00259883
6	BMS	BMS/AWP/00259884	BMS/AWP/00259887
6	BMS	BMS/AWP/00259888	BMS/AWP/00259888
6	BMS	BMS/AWP/00259889	BMS/AWP/00259912
6	BMS	BMS/AWP/00259913	BMS/AWP/00259914
	BMS	BMS/AWP/00259915	BMS/AWP/00259916
6 6	BMS	BMS/AWP/00259917	BMS/AWP/00259918
6	BMS	BMS/AWP/00259919	BMS/AWP/00259923
6	BMS	BMS/AWP/00259924	BMS/AWP/00259932
	BMS	BMS/AWP/00259933	BMS/AWP/00259935
6	BMS	BMS/AWP/00259936	BMS/AWP/00259938
6	BMS	BMS/AWP/00259941	BMS/AWP/00259943
6	BMS	BMS/AWP/00260003	BMS/AWP/00260018
6	BMS	BMS/AWP/00260003	BMS/AWP/00260039
6	BMS	BMS/AWP/00260040	BMS/AWP/00260052
6	BMS	BMS/AWP/00260053	BMS/AWP/00260060
	BMS	BMS/AWP/00260061	BMS/AWP/00260082
6 6	BMS		BMS/AWP/00260090
6	BMS	BMS/AWP/00260083 BMS/AWP/00260092	BMS/AWP/00260106
6			BMS/AWP/00260116
	BMS	BMS/AWP/00260107	BMS/AWP/00260110
6	BMS	BMS/AWP/00260117	BMS/AWP/00260130
6	BMS	BMS/AWP/00260131	BMS/AWP/00260138
6	BMS	BMS/AWP/00260136	
6	BMS	BMS/AWP/00260139 BMS/AWP/00260142	BMS/AWP/00260141 BMS/AWP/00260154
6	BMS		BMS/AWP/00260156
6	BMS	BMS/AWP/00260155	
6	BMS	BMS/AWP/00260157	BMS/AWP/00260199
6	BMS	BMS/AWP/00260200	BMS/AWP/00260227
6	BMS	BMS/AWP/00260228	BMS/AWP/00260230
6	BMS	BMS/AWP/00260231	BMS/AWP/00260251
6	BMS	BMS/AWP/00260252	BMS/AWP/00260262
6	BMS	BMS/AWP/00260263	BMS/AWP/00260270
6	BMS	BMS/AWP/00260271	BMS/AWP/00260282
6	BMS	BMS/AWP/00968811	BMS/AWP/00968812
6	BMS	BMS/AWP/00968813	BMS/AWP/00968830
6	BMS	BMS/AWP/00968846	BMS/AWP/00968850
6	BMS	BMS/AWP/00968851	BMS/AWP/00968866
8	Supporting Discovery Materials		
10	Exhibit 010 Supporting Discovery Materials		
10	TCBW	TCBW03751	TCBW03756
12	Exhibit 012 - Cover Sheet		
12	Exhibit 012a - Supporting Discovery Materials		
12	PFTHW	PFTHW0046	PFTHW0077
12	PFTHW	PFTHW0382	PFTHW0619
12	PFTHW	PFTHW0850	PFTHW1168
12	PFTHW	PFTHW01573	PFTHW1574
12	Segal	UFCW03438	UFCW03442
12	Segal	UFCW03655	UFCW03685
12	UFCW	UFCW0016112	UFCW0016154
12	UFCW	UFCW0016810	UFCW0016901
12	UFCW	UFCW0019639	UFCW0019660
12	THWF	THWF0198	THWF0207
12	THWF	THWF0387	THWF0436
12	THWF	THWF0648	THWF0763
12	THWF	THWF1073	THWF1130
12	TCBW	TCBW03504	TCBW03504
12	TCBW	TCBW03666	TCBW03691
12	Express Scripts	ESI-277-00002615	ESI-277-00002615
12	Man-U	MU1374	MU1391
12	Man-U	MU1766	MU1783
12	Carpenters	AWP/TP000181	AWP/TP000190
12	Carpenters	AWP/TP000291	AWP/TP000300
12	Cerpenters	AWP/TP000305	AWP/TP000309
12	Carpenters	AWP/TP000402	AWP/TP000406
12	Carpenters	AWP/TP000476	AWP/TP000476

Tah	Entity	Reginning Rates Range	Ending Bates Range
12	Exhibit 012b - Summary of PBM Proposals with Health Plans	Dogmining Dates Mange	Ellolli g Patos (tali go salara s
12	Exhibit 012b - Supporting Discovery Materials	1	
12	HCCCC	HCCCC-AWP0258	HCCCC-AWP0259
12	HCCCC	HCCCC-AWP0463	HCCCC-AWP0510
12	HCCCC	HCCCC-AWP0627	HCCCC-AWP0646
	HCCCC	HCCCC-AWP0732	HCCCC-AWP0741
	HCCCC	HCCCC-AWP0754	HCCCC-AWP0757
12	HCCCC	HCCCC-AWP0758	HCCCC-AWP0762
12	HCCCC	HCCCC-AWP01204	HCCCC-AWP01219
12	HCCCC	HCCCC-AWP01220	HCCCC-AWP01233
12	HCCCC	HCCCC-AWP01236	HCCCC-AWP01271
12	BCBS Louisiana	L00001	L00277
12	Exhibit 012c - Supporting Discovery Materials		
12	Anthem Health Plans of Virginia, Inc.	A-VA09010001	A-VA09010054
12	Anthem Health Plans of Virginia, Inc.	A-VA09010055	A-VA09010090
12	Anthem Health Plans of Virginia, Inc.	A-VA09010091	A-VA09010148
12	Anthem Health Plans of Virginia, Inc.	A-VA09010149	A-VA09010199
12	BCBSIL- Health Care Service Corporation	BCILAWP000087	BCILAWP000126
12	Coventry Health Care, Inc.	CVH000239	CVH000408
12	Coventry Health Care, Inc.	CVH000669	CVH000746
12	Empire Blue Cross and Blue Shield	EMP0008727	EMP0008759
12	Empire Blue Cross and Blue Shield	EMP0008790	EMP0008885
12	Harvard Pilgrim Health Care, Inc.	HPH000694	HPH000768
12	Oxford	OXF000001	OXF000070
14	Exhibit 014 - Cover Sheet		
14	Exhibit 014a - Supporting Discovery Materials		
14	Anthem Health Plans of Virginia, Inc	A-VA09010001	A-VA09010054
14	Anthem Health Plans of Virginia, Inc	A-VA09010055	A-VA09010090
14	Trigon Blue Cross Blue Shield	A-VA09010091	A-VA09010148
14	Blue Cross Blue Shield of Virginia	A-VA09010149	A-VA09010199
14	Coventry Health Plans, Inc.	CHV000671	CHV000746
14	Coventry Health Plans, Inc.	CVH000239	CVH000408
14	Empire Blue Cross Blue Shield	EMP0008726	EMP0008759
14	Empire Blue Cross Blue Shield	EMP0008790	EMP0008885
14	Empire Blue Cross Blue Shield	EMP0008886	EMP0008951
14	Harvard Pilgrim	HPH000283	HPH000396
14	Harvard Pilgrim	HPH000694	HPH000768
14	Man-U Service Contract Trust Fund	MU1380	MU1390
14 14	Man-U Service Contract Trust Fund	MU1724 PFTHW0027	MU1765 PFTHW0045
14	Philadelphia Federation of Teachers Health and Welfare Fund Philadelphia Federation of Teachers Health and Welfare Fund	PFTHW0027	PFTHW0077
14	Twin Cities Bakery Workers Health and Welfare Fund	TCBW03666	TCBW03691
14	Teamsters Health and Welfare Fund	THWF1864	THWF1877
14	Teamsters Health and Welfare Fund	THWF1878	THWF1892
14	United Food and Commercial Workers	UFCW0019640	UFCW0019660
15	Exhibit 015 - 0 - Cover Sheet	5. 51100 100-0	
15	Exhibit 015 - 2 - Supporting Discovery Materials		- · · · · · · · · · · · · · · · · · · ·
15	Blue Cross Blue Shield Kansas City	KC0003265	KC0003266
15	Humana	HUM00839	HUM00912
	Humana	HUM01151	HUM01214
15	Humana	HUM01867	HUM01921
17	Exhibit 017 - Cover Sheet		
17	Exhibit 017a - Supporting Discovery Materials		
17	Segal	UFCW00300	UFCW02381
17	Segal	UFCW02381	UFCW02411
17	Segal	UFCW03000	UFCW03089
17	TCBW	TCBW03666	TCBW03691
17	PFTHW	PFTHW0382	PFTHW0461
17	PFTHW	PFTHW0206	PFTHW0225
17	Express Scripts	ESI-277-00002790	ESI-277-00002922
17	Health Plans of Virginia	A-VA 01010106	A-VA 01010162
17	Exhibit 017c - Supporting Discovery Materials		
17	Independent Health	IHC AWP 000005	IHC AWP 000026
17	Intermountain Health	INH AWP 000060	INH AWP 000093
17	Exhibit 017d - Supporting Discovery Materials	1	· · · · · · · · · · · · · · · · · · ·

Volume III Section A Index - Footnotes

Tab	Source
1	Medicare Chartbook 2002
2	2004 HDMA Industry Profile and Healthcare Factbook. Healthcare Distribution Management
	Association
3	AIS's Directory of Health Plans: 2004. Atlantic Information Services, Inc.
4	"Improving Health Care: A Dose of Competition" A Report by the Federal Trade Commission
	and the Department of Justice. July 2004.
5	"Profile of the Prescription Drug Wholesaling Industry." The Food and Drug Administration,
	February 12, 2001.
6	"International Society of Certified Employee Benefit Specialists; Census of Certified Employee
	Benefit Specialists." Survey Results, December 2000.
7	"How Increased Competition from Generic Drugs has Affected Prices and Returns in the
	Pharmaceutical Industry." The Congress of the United States Congressional Budget Office
	(CBO), July 1998, P. 25.
8	The Prescription Drug Benefit Cost and Plan Design Survey Report by the Pharmacy Benefit
	Management Institute, Inc., 2003 Edition.
9	Affidavit of Stephen W. Schondelmeyer, May 30, 2000
10	"A Survey of Acquisition Costs of Pharmaceuticals in the Commonwealth of Kentucky."
11	Report to the General Court: October 2, 2002: Commonwealth of Massachusetts Executive
	Office of Health and Human Services Division of Health Care Finance and Policy: Linda L.
	Ruthardt, Commissioner.
12	"Medicare Reimbursement of Prescription Drugs," DHHS Office of Inspector General Report
	#OEI-03-00-00310, January 2001.
13	People of the State of New York vs. Express Scripts, Inc., ESI Mail Pharmacy Service, Inc.,
	Connecticut General Life Insurance Company, and CIGNA Life Insurance Company of New
	York, the state of New York.
14	"Kaiser Family Foundation and Health Research and Educational Trust, Employer Health
	Benefits: 2002 Annual Survey.
15	"Prescription Drug Benefit Plans: A Buyer's Guide." Mercer Human Resources Consulting for
	California HealthCare Foundation, January 2003.
16	"Ambulatory Care Formularies and Pharmacy Benefit Management by Managed Care
	Organizations." American College of Physicians — American Society of Internal Medicine White
L	Paper 2001.
17	Federal Register / Vol. 68, No. 161 / August 20, 2003.
18	Program Memorandum Intermediaries/Carriers Transmittal AB-97-25 Change Request #298,
10	dated January 1998.
19	Program Memorandum Intermediaries/Carriers Transmittal AB-00-86 Change Request 1232,
20	dated September 8, 2000 Program Memorandum Intermediaries/Carriers Transmittal AB-00-115 Change Request 1447,
20	
21	dated November 17, 2000. "Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare." Centers for
41	
	Medicare & Medicaid Services (CMS) and the National Association of Insurance
22	Commissioners, 2004.
22	"Report to Congress: Assessing Medicare Benefits, MedPac", June 2002. "Health Coverage and Patient Advocacy Guide" (available at http://www.iressa-
23	us.com/content/prof/healthcoverage/r4.asp) downloaded January 30, 2004.
24	<u> </u>
24	42 CFR Part § 405.517 (c) "Health Plan Payment for Physician-Administered Drugs," Dyckman & Associates for the
25	Medicare Payment for Physician-Administered Drugs, "Dyckman & Associates for the Medicare Payment Advisory Commission, August 2003 No. 03-05, p.3.
26	Federal Register / Vol. 69, No. 4 / January 7, 2004.
26 27	The President's Radio Address, December 13, 1997.
	The Fresident's Radio Address, December 15, 1997.

Volume III Section B Index - Exhibits

Tab	Source
7	Exhibit 007 - Published Articles - AWP
7	"Calif. Medi-Cal Program Offers \$2.30 Fee." Weekly Pharmacy Reports (The Green Sheet). September 2, 1968, Vol. 17 No. 36, 3.
7	"New Definition of Drug Acquisition Cost in Medi-Cal Formulary." Weekly Pharmacy Reports (The Green Sheet). November 18, 1968, Vol. 17 No. 47, 2.
7	34 Fed. Reg.1244 C44 250 (Rules and Regulations. Administration of Medical Assistance Programs, January 25, 1969)
7	Lee, Phillip. "Task Force on Prescription Drugs- Final Report." Department of Health,
	Education, and Welfare. February 7, 1969, 147.
7	"Use of 'Price Books' to Determine Acquisition Costs in Medicaid." Weekly Pharmacy Reports (The Green Sheet). April 14, 1969, Vol. 18 No. 15, 2.
7	"Massachusetts Liberalizes Medicaid Drug Reimbursement." Weekly Pharmacy Reports (The Green Sheet). May 18, 1970, Vol. 19 No. 20, 3.
7	"Actual Acquisition Cost Should Replace 'Average Whsle. Price'." Weekly Pharmacy Reports (The Green Sheet). March 22, 1971, Vol. 20 No. 12, 3.
7	American Druggist Blue Book 1970. New York: American Druggist, 1970.
7	"Natl. Average Whsle. Price Listings." Weekly Pharmacy Reports (The Green Sheet) . May 3, 1971, Vol. 20 No. 18, 3.
7	39 Fed. Reg. 230, 45 CFR § 250 (Reimbursement of Drug Cost- Medical Assistance Program; Notice of Proposed Rule Making, November 27, 1974)
7	Norwood, Joseph G., David P. Lipson, and Robert A. Freeman. "Policy Implication of MAC, AWP-AAC Differentials Among Pharmacies." <i>J. of Amer. Pharmaceutical Association</i> . August 1977, Vol. NS 17 No. 8, 496.
7	Comptroller General of the United States. "Programs to Control Prescription Drug Costs Under Medicaid and Medicare Could be Strengthened." HRD-81-36. December 31, 1980, 29.
7	Kreling, David H. "Developing a Prescription Drug Reimbursement Formula for Texas Medicaid Using Marketplace Parameters Related to Prescription Prices, Acquisition Cost, Dispensing Expenses, and Profits." Dissertation Presented to the Faculty of the Graduate School of the University of Texas at Austin. December, 1984, 32.
7	Office of Inspector General. "Changes to the Medicaid Prescription Drug Program Could Save Millions." <i>United States Department of Health and Human Services</i> . ACN No. 06-40216, 1984, 9.
7	Robinson, Bill. "Whither AWP? Debate Rages from Texas to Washington." <i>Drug Topics</i> . April 1, 1985, Vol. 129, 33.
7	Kreling, David H. and Kenneth W. Kirk. "Estimating Pharmacy Level Prescription Drug Acquisition Costs for Third-Party Reimbursement." <i>Medical Care.</i> July, 1986, Vol. 24 No. 7, 591.
7	"Prescription Drug Prices, Are We Getting Our Money's Worth?" A Majority Staff Report of the Special Committee on Aging United States Senate. August, 1989, Serial No. 101-D., 3, 11.
7	Office of Inspector General. "Use of Average Wholesale Prices in Reimbursing Pharmacies Participating in Medicaid and the Medicare Prescription Drug Program." Department of Health Education and Welfare. A-06-89-00038. October 3, 1989, 21163 & 21165.
7	56 Fed. Reg. 25792, 42 CFR §§ 405 and 415 (Medicare Program; Fee Schedule for Physicians' Services, June 5, 1991)
7	Oklahoma Department of Human Services. Department of Health and Human Services Departmental Appeals Board Appellate Division . Docket No. 90-164, Decision No. 1271 (1991).
7	56 Fed. Reg. 59502 § II(5(c)) (Medicare Program; Fee Schedule for Physicians' Services, November 25, 1991)
7	Office of Inspector General. "Physicians' Costs for Chemotherapy Drugs." <i>United States Department of Health and Human Services</i> . A-02-91-01049, November, 1992, 2, 5.
7	Adams, Kathleen E, David H. Kreling, and Kathleen Gondek. "State Medicaid Pharmacy Payments and Their Relation to Estimated Costs." <i>Health Care Financing Review</i> . Spring, 1994, Vol. 15 No. 3, 27.

Tab⊮	
7	Kolassa, Mick. "Guidance for Clinicians in Discerning and Comparing the Price of
	Pharmaceutical Agents." J. of Pain and Symptom Management. May, 1994, Vol. 9 No. 4, 2
7	Office of Inspector General. "Appropriateness of Medicare Prescription Drug Allowances."
	Department of Health and Human Services. OEI-03-95-00420, May, 1996, i-ii.
7	Office of Inspector General. "Suppliers' Acquisition Costs for Albuterol Sulfate." Department
	Health and Human Services. OEI-03-94-00393, June, 1996, i.
7	Office of Inspector General. "A Comparison of Albuterol Sulfate Prices." Department of Hea
	and Human Services. OEI-03-94-00392, June, 1996, 7.
7	Alpert, Bill. "Hooked on Drugs: Why do insurers pay such outrageous Prices for
•	pharmaceuticals?" Barron's. June 10, 1996, 1.
7	Office of Inspector General. "Review of Pharmacy Acquisition Costs for Drugs Reimbursed
•	Under the Medicaid Prescription Drug Program of the Montana Department of Public Health
	Human Services." Department of Health and Human Services. A-06-95-00068, July, 1996,
	· · · · · · · · · · · · · · · · · · ·
7	1, 4-6.
7	Shalala, Donna E. Responses to Questions from Committee Members. <i>United States Sena</i>
	Committee on Finance. HRD105-85, February 13 and 27, 1997, March 4 and 5, 1997, 265.
7	Office of Inspector General. "Medicaid Pharmacy - Actual Acquisition Cost of Prescription D
	Products for Brand Name Drugs." Department of Health and Human Services. OEI-06-96-
	00030, April, 1997, 1, 5.
7	Office of Inspector General. "Medicaid Pharmacy - Actual Acquisition Cost of Generic
	Prescription Drug Products." Department of Health and Human Services. A-06-97-00011,
	August, 1997, 5.
7	Office of Inspector General. "Excessive Medicare Payments for Prescription Drugs"
	Department of Health and Human Services . December, 1997, ii, 10.
7	Kolassa, E.M. "Elements of Pharmaceutical Pricing," (The Haworth Press. 1997), 30.
7	Balanced Budget Act of 1997 § H.R. 2015. House Committee on the Budget . Report No. 10
	149, June 24, 1997, 1354.
7	Remarks by the President in Radio Address to the Nation, White House Office of Press
•	Secretary. 1997 WL 767416, Dec. 13, 1997, 2.
7	"New Payment Limit for Drugs and Biologicals" Intermediariers/Carriers Program Memorand
•	HCFA Pub. 60AB, Transmittal No. AB-97-25, Jan. 1, 1998, 1.
7	Office of Inspector General. "Need to Establish Connection Between the Calculation of Med
•	Drug Rebates and Reimbursement for Medicaid Drugs." Department of Health and Human
	Services. May, 1998, 5.
7	Office of Inspector General. "Are Medicare Allowances for Albuterol Sulfate Reasonable?"
′	
7	Department of Health and Human Services. August, 1998, 6.
1	Brown, June Gibbs. "Comparing Drug Reimbursement: Medicare and Department of Vetera
	Affairs." Office of Inspector General Department of Health and Human Services . OEI-03-97
	00292, November, 1998, ii.
7	63 Fed. Reg 58814 (Final Rule. Medicare Program; Revisions to Payment Policies and
	Adjustments to the Relative Value Units Under the Physician Fee Schedule for Calendar Year
	1999, November 2, 1998)
7	H.R. 2229 (Bill to amend titles XI and XVIII of the Social Security Act to combat waste, fraud,
	and abuse in the Medicare Program), June 15, 1999, 2-3.
7	"Report to the President, Prescription Drug Coverage, Spending, Utilization, and Prices."
	Department of Health and Human Services. April 2000, Chap. 3, 5.
7	"Stark Congratulates HCFA for Taking Steps to Lower Artificially Inflated Medicare Drug
•	Reimbursement." United States Congress. June 1, 2000, 1.
7	"HCFA Offers Policy Change Designed To Reduce Costs of Program-Covered Drugs." BNA
•	, , , ,
7	Health Care Daily Report. June 2, 2000, Vol.5 No. 107, 1. The State of Louisiana v. United States Department of Health and Human Services, 905 F.2.
′	•
-, —	877, 9-10 (1990).
7	Health Care Financing Administration. "Source of Average Wholesale Price Data in Pricing
	Drugs and Biological Covered by the Medicare Program." Department of Health and Human
	Services. Transmittal AB-00-115. September 8, 2002.
7	Office of Inspector General. "Areas of Concern." Department of Health and Human Service.
	2000, 18.
	100 100 E 1 141 0 1 E 1 10 10 E 10000 E T 0 1
7	"Health Care Fraud and Abuse Control Program, Annual Report for FY 2000." The Departm

Tab	Source
7	Office of Inspector General. "Medicare Reimbursement of Prescription Drugs." Department of
	Health and Human Services . OEI-03-00-00310, January 2001, ii.
7	Office of Inspector General. "Medicaid Pharmacy - Actual Acquisition Cost of Brand Name
	Prescription Drug Products." Department of Health and Human Services . A-06-00-00023,
	August 2001, i.
7	Nicola, Thomas J. "Regulatory and Legislative History of Medicare Drug Reimbursement Based
	on Average Wholesale Price." Memorandum to House Committee on Energy and Commerce.
	Congressional Research Service. August 31, 2001, Vol. 2 No. 3, 369.
7	United States General Accounting Office. "Medicare Payments for Covered Outpatient Drugs
	Exceed Providers' Cost." Report to Congressional Committees. GAO-01-1118, September,
	2001, 4.
7	Scanlon, William J. "Medicare Part B Drugs Program Payments Should Reflect Market Prices."
	United States General Accounting Office. GAO-01-1142T, September 21, 2001, 2.
7	Grob, George F. "Prepared Testimony on Medicare Drug Reimbursements: A Broken System
	for Patients and Taxpayers." House Committee on Energy and Commerce Subcommittee on
	Oversight and Investigations and Subcommittee on Health Joint Hearing. US House of
	Representatives. September 21, 2001, 1, 5.
7	Myers and Stauffer LC. "A Survey of Acquisition Costs of Pharmaceuticals in the
	Commonwealth of Kentucky, Prepared for the Kentucky Department for Medicaid Services."
7	Kentucky Department of Medicaid Services, November, 2001, 4.
,	Rucker, Donald T. "The HEW Task Force on Prescription Drugs: An Insider's Perspective." <i>J. of Research in Pharmaceutical Economics</i> , Vol. 1, No. 1, 1989, as cited in Smith, Mickey C. ed.
	Prescription Drugs Under Medicare, The Legacy of the Task Force on Prescription Drugs.
	2001, 8.
7	Office of Inspector General. "Medicaid Pharmacy - Actual Acquisition Cost of Generic
•	Prescription Drug Products." Department of Health and Human Services. A-06-01-00053.
	March, 2002, i.
	Office of Inspector General. "Excessive Medicare Reimbursement for Ipratropium Bromide."
	Department of Health and Human Services. OEI-03-01-00411, March 2002, 12.
7	"Reimbursement and Access to Prescription Drugs Under Medicare Part B." Subcommittee on
	Health Care of the Senate Committee on Finance. March 14, 2002, 2.
7	Dummit, Laura A. "Medicare Outpatient Drugs Program Payments Should Better Reflect Market
	Prices." United States General Accounting Office. March 14, 2002, 1-2.
7	"Health Care Fraud and Abuse Control Program, Annual Report for FY 2001." The Department
	of Health and Human Services and The Department of Justice. April 2002, 8.
7	Gencarelli, Dawn M. "Average Wholesale Price for Prescription Drugs: Is There a More
	Appropriate Pricing Mechanism?" National Health Policy Forum. NHPF Issue Brief No. 775,
7	June 7, 2002, 2. Reeb, George. "Hearing on Medicare Payments for Currently Covered Prescription Drugs."
•	Centers for Medicare and Medicaid Audits, US Department of Health and Human Services .
	October 2, 2002, 1, 3.
7	"Report to the Congress, Variation and Innovation in Medicare." MedPac Medicare Payment
•	Advisory Commission. June 2003, 150, 152, 155.
7	68 Fed. Reg. 50428 (Medicare Program; Payment Reform for Part B Drugs, August 20, 2003)
7	Office of Inspector General. "Update: Excessive Medicare Reimbursement for Albuterol."
	Department of Health and Human Services. OEI-03-03-00510, January 2004, iii-iv.
7	Hansen, John. "United States Prescription Drug Pricing and Reimbursement Policies." United
	States General Accounting Office. Not Dated, 4,6, 12-13.
13	Myers and Stauffer LC. "A Survey of Acquisition Costs of Pharmaceuticals in the
	Commonwealth of Kentucky, Prepared for the Kentucky Department for Medicaid Services."
	Kentucky Department of Medicaid Services, November, 2001.
13	Adams, Kathleen E, David H. Kreling, and Kathleen Gondek. "State Medicaid Pharmacy
	Payments and Their Relation to Estimated Costs." Health Care Financing Review. Spring, 1994,
45	Vol. 15 No. 3.
15	Exhibit 015 - Supporting Discovery Materials
15	Procrit Full Prescribing Information
15 15	Remicade Billing Guide
10	Kytril Complete Product Information
16	Exhibit 016 - Cover Sheet

Tab	Source
16	Exhibit 016a - Medicare Reimbursement Over Time
16	Exhibit 016 - Supporting Discovery Materials
16	56 Fed. Reg. 59502 § II(5(c)) (Medicare Program; Fee Schedule for Physicians' Services,
	November 25, 1991)
16	63 Fed. Reg. 58814 § III(A) (Final Rule. Medicare Program; Revisions to Payment Policies and
	Adjustments to the Relative Value Units Under the Physician Fee Schedule for Calendar Year
	1999, November 2, 1998)
16	69 Fed. Reg. 1084, 42 CFR §§ 405 and 414 (Medicare Program; Changes to Medicare Payment
	for Drugs and Physician Fee Schedule Payments for Calendar Year 2004; Interim Final Rule,
	January 7, 2004)
16	Social Security Act § 1833, 42 U.S.C. 1395I
16	Exhibit 016b - Fiscal Intermediaries 2004 current_maps
16	Exhibit 016b - Medicare Part B Carriers by State
16	Exhibit 016b - Supporting Discovery Materials
16	CMS, 2001 Limitations for the Physician/Supplier Procedure Summary Master File
	(http://www.cms.hhs.gov/statistics/feeforservice/PSPS2001Limit.pdf)
16	CMS, Part B Carrier Locality Codes after 12/31/1996 Report Prepared by CMS 9/17/04
16	CMS, Intermediary - Carrier Directory (http://www.cms.hhs.gov/contacts/incardir.asp)
17	Exhibit 017c - Supporting Discovery Materials
17	FUL - Federal Upper Limits for Multiple Source Products 2001
17	FUL - Federal Upper Limits for Multiple Source Products 2002
17	FUL - Federal Upper Limits for Multiple Source Products 2003
17	DE - Delaware MAC List downloaded 9/15/04
17	KY - Kentucky Medicaid Drug Maximum Allowable Cost List: Effective 8/1/04 downloaded
	9/15/04
17	MD - Maryland Pharmacy Program MAC List April, 2004 downloaded 9/15/04
17	Maryland Pharmacy Program MAC/IDC Table
17	NH - New Hampshire Medicaid MAC Detail downloaded 9/15/04
17	NM - New Mexico MAC List Current Comprehensive List Mercer Government Human Services
	Consulting June 18, 2004 downloaded 9/15/04
17	ND - North Dakota Medicaid MAC List downloaded 9/15/04
17	SC - South Carolina Medicaid MAC Listing September, 2004 downloaded 9/15/04